

## United States Attorney William J. Ihlenfeld, II Northern District of West Virginia

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## CHESAPEAKE APPALACHIA PLEADS GUILTY TO CLEAN WATER ACT VIOLATIONS

WHEELING, WEST VIRGINIA - Chesapeake Appalachia, LLC (hereinafter

"Chesapeake") entered pleas of guilty today in federal court to three violations of the Clean Water Act related to natural gas drilling activity in Northern West Virginia, according to United States Attorney William Ihlenfeld, II.

Chesapeake pled guilty to three counts of "Unauthorized Discharge into a Water of the United States" in that it discharged sixty (60) tons of crushed stone and gravel into Blake Fork, a water of the United States, on at least three different occasions in December of 2008. Chesapeake also admitted that after discharging the stone and gravel that it then spread the material in the stream to create a roadway for the purpose of improving access to a site associated with Marcellus Shale drilling activity in Wetzel County, West Virginia.

"Our nation's wetlands play a critical role in maintaining water quality, reducing flood damage, and providing habitat for fish and wildlife," said David G. McLeod, Jr., Special Agent in Charge of EPA's criminal enforcement program in West Virginia. "The defendant illegally filled at least three sensitive wetlands; in one instance, obliterating a natural waterfall. This plea agreement demonstrates that those who illegally fill in or destroy these essential natural resources will be prosecuted."

The plea agreement calls for Chesapeake to pay a fine of \$200,000 for each conviction, for a total fine of \$600,000. It also requires that Chesapeake be placed onto probation for two years and be under the supervision of the Court during that time period.

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Additionally, the parties have agreed that separate violations committed by Chesapeake and occurring in connection with impoundments constructed in Marshall and Wetzel Counties would be addressed by civil penalties and not via criminal charges.

The Clean Water Act, also known as the Federal Water Pollution Control Act, was enacted by Congress to restore and maintain the integrity of the Nation's waters. It prohibits the discharge of any pollutant from a point source into the waters of the United States without a permit. Discharges of dredged or fill material into waters of the United States are prohibited unless authorized by a permit issued by the U.S. Army Corps of Engineers.

Chesapeake violated the Clean Water Act when, in 2008, it selected the location for an access road to a site associated with its drilling activities, hired construction contractors to discharge and spread rock and gravel in Blake Fork in order to develop access to the Hohman Pit, and supervised and directed the work of the construction contractors. These contractors hired by Chesapeake discharged gravel from dump trucks into Blake Fork, also known as Blake Run, on at least three separate and distinct occasions.

Chesapeake's contractors, under the supervision of a Chesapeake employee, subsequently used bulldozers to spread the 60 tons of gravel in Blake Fork to develop access to the Hohman Pit in order to facilitate Marcellus Shale gas drilling activities. Chesapeake failed to obtain a Clean Water Act permit prior to this discharge.

Chesapeake Appalachia, LLC, is a wholly owned subsidiary of Chesapeake Energy Corporation.

The case was investigated by the U.S. Environmental Protection Agency, Criminal Investigation Division. It is being prosecuted by David Perri, Assistant United States Attorney.